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BEFORE THE DEPARTMENT OF BUSINESS OVERSIGHT
OF THE STATE OF CALIFORNIA

In the Matter of:)	CRMLA License No.: 415-0042
)	
THE COMMISSIONER OF BUSINESS)	
OVERSIGHT,)	ACCUSATION IN SUPPORT OF ORDER TO
)	REVOKE MORTGAGE LENDERS LICENSE
Complainant,)	
)	
v.)	
)	
FIRST CALIFORNIA MORTGAGE)	
COMPANY,)	
)	
Respondent.)	

The Complainant, Commissioner of Business Oversight (Commissioner), alleges and charges Respondent First California Mortgage Company which has also done business under the names First Cal, Dealworks, and First Cal Mortgage Services Across America (First Cal) as follows:

I.

Introduction

1. The Commissioner seeks to revoke the residential mortgage lender license issued to First Cal by the Commissioner pursuant to Financial Code section 50327 as a result of (1) repeated failures by First Cal to remedy violations of Financial Code section 50202 and California Code of

1 Regulations, title 10, section 1950.314.1 with regard to the improper commingling of trust account
2 funds noted during repeated examinations and in violation of a prior order by the Department of
3 Business Oversight (Department); and (2) failed to notify the Department that it had ceased doing
4 business, no longer was located at any of its registered business addresses, failed to maintain working
5 phone numbers or provide current address and contact information to the Department as required by
6 Financial Code section 50124.

7 II.

8 Facts

9 2. Respondent First Cal is a residential mortgage lender and loan servicer licensed by
10 the Commissioner under the California Residential Mortgage Lending Act (CRMLA) (Fin. Code, §
11 50000 et seq.), (CRMLA License No. 415-0042). First Cal was also licensed by the Commissioner
12 as a finance lender under the California Financing Law (CFL) (Fin. Code, § 22000 et seq.), (CFL
13 License No. 605-4270) but that license was revoked by the Department pursuant to an order issued
14 on December 27, 2017 for failure to pay required annual assessments. First Cal has its registered
15 principal place of business located at 1400 North McDowell Boulevard, Suite 300, Petaluma
16 California, 94954.

17 3. The Commissioner has jurisdiction over the licensing and regulation of persons and
18 entities engaged in the business of lending and/or servicing residential mortgage loans pursuant to the
19 CRMLA.

20 4. Pursuant to Financial Code section 50202, and California Code of Regulations, title
21 10, section 1950.314.1, licensees under the CRMLA are required to deposit all escrow and loan funds
22 into a separate trust account, may not commingle their own assets with trust account funds, and are
23 required to keep accounting records and ledgers of the trust accounts that are reconciled on a regular
24 basis to verify compliance. Licensees are also required under Financial Code section 50124,
25 subdivisions 6 and 10 to notify the Commissioner of any change in its business plan of operations
26 and business location.

27 5. During a regulatory examination by the Department that commenced on October 3,
28 2016, First Cal was found to have commingled its own funds with loan funds held in trust account in

///

V.

Prayer

WHEREFORE, IT IS PRAYED that the CRMLA license of First California Mortgage Company be revoked pursuant to Financial Code section 50327.

Dated: May 18, 2018
San Francisco, CA

JAN LYNN OWEN
Commissioner of Business Oversight

By _____
KIRK WALLACE
Senior Counsel